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ABSTRACT

Federal aid to the nation's predominantly black colleges and universities has increased 58% over the past 3 years. The increase, from $108 million in fiscal year 1969 to $171 million in fiscal year 1971, is the result of an intensive effort on the part of all Federal departments and agencies to increase program support to predominantly black institutions. According to a study of Federal program aid to black colleges, predominantly black institutions enrolled 2.4% of all college students in the country during 1971 and received 4.4% of Federal funds to higher education. Other findings of the study include: (1) During the 1971-72 academic year the 115 predominantly black colleges and universities in the nation enrolled 208,000 of the 8.6 million students enrolled in institutions of higher education; (2) During fiscal year 1971, 18 Federal departments or agencies provided $3.9 billion in Federal program assistance to the nation's colleges and universities; and (3) Black colleges received 86% of their Federal funds from the Department of Health, Education, and Welfare as compared with 66% at other colleges and universities. (Author/HS)

Education Briefing Paper

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FEDERAL AID TO BLACK COLLEGES

"Colleges and universities founded for black Americans are an indispensable national resource."

-- Richard M. Nixon

In fulfillment of a commitment by President Nixon, Federal aid to the Nation's predominantly black colleges and universities has increased 58 percent over the past three years.

The increase, from $108 million in fiscal year 1969 to $171 million in fiscal year 1971, is the result of an intensive effort on the part of all Federal departments and agencies to increase program support to predominantly black institutions.

According to a study of Federal program aid to black colleges, predominantly black institutions enrolled 2.4 percent of all college students in the country last year and received 4.4 percent of Federal funds to higher education.

The study was conducted by the Federal Interagency Committee on Education (FICE), a unit of HEW's Office of Education which is chaired by the U.S. Commissioner of Education and includes representatives of 25 Federal departments and agencies.

Among the findings:

- During the 1971-72 academic year, the year in which the bulk of fiscal year 1971 Federal funds were spent, the 115 predominantly black colleges and universities in the Nation enrolled 208,000 of the 8.6 million students enrolled in institutions of higher learning.

- During fiscal year 1971, 18 Federal departments or agencies provided $3.9 billion in Federal program assistance to the Nation's colleges and universities.

- Black colleges received 86 percent of their Federal funds from the Department of Health, Education, and Welfare. By contrast, other colleges and universities received 66 percent of their Federal support from HEW.

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The FICE report, Federal Agencies and Black Colleges, Fiscal Year 1971, will be published later this year.

STUDENT ASSISTANCE

Prior to passage of the Higher Education Act of 1965, with its extensive programs for undergraduate student aid, most black colleges received virtually no financial support from the Federal government. Since 1965, Federal support to predominantly black institutions has increased significantly, due initially to the availability of student financial aid funds.

Federally funded student aid programs accounted for 44 percent -- $74 million -- of all Federal assistance received by black colleges in fiscal year 1971. By contrast, only 26 percent of Federal assistance to other colleges and universities was for student financial aid.

Of the $74 million received by black colleges for student assistance, $70 million was from the Office of Education, primarily under three programs:

Educational Opportunity Grants totaling $21.4 million assisted 40,000 students enrolled in black colleges or 19 percent of the estimated black college enrollment. Overall, educational opportunity grants assisted 3.4 percent of the 8.6 million students enrolled in institutions of higher learning.

College Work-Study Grants totaling $23 million supported an estimated 70,000 students in black colleges--34 percent of the black college enrollment. Work-study grants were awarded to approximately 600,000 students, or 7 percent of the Nation's total college population.

National Defense Student Loans provided $14.7 million to 46,000 students in black colleges-22 percent of the black college enrollment. Nationally, the program aided 645,000 students or 7.5 percent of all college and university students.

INSTITUTIONAL ASSISTANCE

The Nation's predominantly black colleges and universities, mostly private, are particularly beset by the financial contraints suffered by all American higher education. Most black colleges lack large endowments, most rely heavily on student tuition as a primary source of income to cover annual operating costs.

As a result, Federal student financial aid is especially important to black colleges and universities. In addition, however, there is a need for more general institutional assistance.

A significant proportion of all Federal aid to higher education is in the form of research and development grants. Such grants frequently contribute to institutional assistance through supplementary payments for facilities and overhead.

However, few black colleges have the graduate programs, laboratories, and other facilities necessary to conduct advanced scientific research.

And so, their major Federal source of institutional assistance has been the Office of Education's program for strengthening developing institutions.

In fiscal year 1971, black colleges received $19.7 million under the developing institutions program, an increase of $2.7 million over the $17 million awarded in fiscal year 1970.

Black colleges also obtained $34 million in construction loans from private lenders through loan subsidy programs administered by the Department of Housing and Urban Development and HEW's Office of Education.

FEDERAL AGENCY SUPPORT

Black colleges received 86 percent of their fiscal year 1971 Federal funds from the Department of Health, Education, and Welfare, according to the FICE study. By contrast, other colleges and universities received only 66 percent of their Federal support from HEW. Of the $146 million provided predominantly black institutions by HEW, the Office of Education provided $118 million, an increase of $33 million over the $85 million provided in fiscal year 1970.

The next largest amount in HEW came from the National Institutes of Health, which provided almost $15 million--an increase of $6 million over fiscal year 1970. HEW's Health Services and Mental Health Administration doubled its funds to black colleges from 1970 to 1971, providing more than $11 million.

Outside HEW, the primary sources of Federal aid to black colleges were: the Office of Economic Opportunity, $7 million; Department of Housing and Urban Development, $6 million; National Science Foundation, $3 million; and the Department of Agriculture, $2 million.

DISTRIBUTION OF FEDERAL FUNDS

More than half ($89 million) of all Federal program funds awarded black colleges during fiscal year 1971 went to 64 private predominantly black institutions. These colleges enrolled approximately 24 percent of all students attending black colleges.

Sixty-six black colleges received more than $1 million each in Federal funds, including three which received more than $5 million each. Only 42 black colleges received more than $1 million each in Federal funds in fiscal year 1970.

TABLE I

DISTRIBUTION OF FEDERAL FUNDS AMONG BLACK COLLEGES

Amount of Support	Number of Institutions
More than $10 million	2
$5 million to $9.99 million	1
$1 million to $4.99 million	63
$500,000 to $999,000	24
$100,000 to $499,000	19
Less than $100,000	6
TOTAL	115

TABLE 2

TOP TEN RECIPIENTS AMONG BLACK COLLEGES

Institution and Location	Amount of Support
Meharry Medical College, Nashville, Tenn.	$16,126,700
Howard University, Washington,D.C.	15,149,900
Tuskegee Institute,Tuskegee, Ala.	5,444,700
Southern University, Baton Rouge, La.	4,064,000
Federal City College, Washington,D.C.	3,835,200
Wilberforce University, Wilberforce, Ohio	3,533,100
Prairie View A&M College, Prairie View, Tex.	3,425,100
North Carolina A&T State University, Greensboro, N.C.	2,936,300
Fisk University, Nashville, Tenn.	2,909,300
Florida A&M University, Tallahassee, Fla.	2,891,100
TOTAL	$60,315,400

TABLE 3

FEDERAL SUPPORT TO BLACK COLLEGES BY CONTROL AND LEVEL

	Number	Enrollment	Percent	Federal Funds	Percent
PRIVATE:					
2-year	10	2,586	1.24%	$ 4,307,800	2.5%
4-year, University, and Professional	54	47,655	22.92%	84,549,100	49.6%
TOTAL (PRIVATE)	64	50,241	24.17%	$88,856,900	52.1%
PUBLIC:					
2-year	14	32,943	15.9%	$ 9,433,400	5.5%
4-year, University, and Professional	37	124,701	60.0%	72,329,500	42.4%
TOTAL (PUBLIC)	51	157,644	75.9%	$81,762,900	47.9%
TOTAL (PUBLIC AND PRIVATE)	115	207,885	100%	$170,619,800	100%

TABLE 4

OBLIGATED AMOUNTS TO COLLEGES AND UNIVERSITIES
BY FEDERAL AGENCY, FISCAL YEAR 1971
(IN THOUSANDS OF DOLLARS)

Agency	Amount Received by Black Colleges	Total, to all Colleges	Percent of Total to Black
Agency for International Development	1/	14,310.0	---
Atomic Energy Commission	308.0	105,836.0	.3%
Department of Agriculture	2,049.1	215,395.3	1.0%
Department of Commerce	430.0	14,574.0	3.0%
Department of Defense	262.2	269,191.7	.1%
Department of Health, Education, and Welfare 2/	145,917.7	2,556,366.8	5.7%
Office of Education 3/ 4/	(118,307.9)	(1,079,913.8)	(11.0%)
Social and Rehabilitation Service	(1,559.2)	(57,325.0)	(2.9%)
National Institutes of Health	(14,856.9)	(1,155,036.0)	(1.3%)
Health Services & Mental Health Administration	(11,193.7)	(264,092.0)	(4.2%)
Department of Housing and Urban Development 4/	5,928.0	51,309.0	11.6%
Department of the Interior	20.0	25,963.9	.1%
Department of Justice	660.1	24,645.0	2.7%
Department of Labor	2,041.9	46,165.3	4.4%
Department of Transportation	242.0	9,886.0	2.4%
Environmental Protection Agency	146.7	18,391.8	.8%
National Aeronautics and Space Administration	831.0	134,100.0	.6%
National Endowment for the Arts	42.9	603.1	7.1%
National Endowment for the Humanities	481.6	7,479.0	6.4%
National Science Foundation	3,073.6	351,051.3	.9%
Office of Economic Opportunity	6,981.0	36,444.0	19.2%
Peace Corps 5/	1,118.9	4,582.8	N/A
Veterans Administration 6/	48.9	2,011.0	2.4%
TOTAL	170,583.6	3,888,306.0	4.4%

1/ Prairie View A & M College, Texas, is currently operating under a $500,000 grant initially awarded in FY 1970 but being pro-rated at $100,000 per year for 5 years.

2/ Not included in HEW totals is the annual HEW line item (Congressional appropriation) awarded to Howard University. This amounted to $38.2 million in FY 1971. If the annual line item to Howard were included in the amount of Federal funds received by black institutions, the Federal agency total to black institutions would increase to $208,783,600 out of a total to all institutions of higher education of $3,926,506,000

3/ Not included in the OE total are subsidized loans from private lending institutions or subsidies paid to lending institutions. Approximately 33,400 students in black colleges received an estimated $46 million in Federally subsidized loans during

FY 1971. Nationwide, approximately 1,170,000 students received an estimated $1,583,200,000 in Federally subsidized loans. The estimated amount of subsidy payments to lending institutions for students attending black institutions was $4.5 million during FY 1971.

4/ Not included in the Office of Education and DHUD totals are private market construction loans obtained by colleges and universities with the help of Federal subsidies. Subsidies are included, however, since they are Federal funds received by colleges and universities. During FY 1971, black colleges were able to obtain private market housing loans totalling $9,660,000 through HUD's College Housing Debt Service Grant Program and private market loans for construction of academic buildings totalling $23.8 million through the Office of Education's HEFA Title III Annual Interest Grant Program. Nationwide, colleges and universities were able to obtain a total of approximately $600 million through OE's program and $168.5 million through the HUD program.

5/ Peace Corps total to all colleges and universities is not complete, thus the absence of a percent computation.

6/ The vast majority of benefits provided by the Veterans Administration for educational purposes is in the form of educational assistance allowances paid directly to eligible veterans and other eligible persons. These benefits are not paid to the schools by the Veterans Administration. In Fiscal Year 1971, a total of $1,651,424,000 in educational benefits was provided to $1,674,857 eligible veterans or other eligible persons. Included in these figures is approximately $19,847,000 paid to 16,295 eligible veterans enrolled in predominantly black colleges, and their dependents.

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